STUDY OF GRANNY FLATS :

OPPORTUNITIES IN OTTAWA-CARLETON

Regional Municipality of Ottawa-Carleton
Planning Department
Policy and Program Division
May, 1990

 # 12-44

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February 1990

91-00713/

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EXECUTIVE SUMMARY

GRANNY FLATS: OPPORTUNITIES IN OTTAWA-CARLETON

Introduction

In 1985, the Province of Ontario initiated a small-scale granny flat demonstration project called PLUS (Portable Living Units for Seniors). Ottawa-Carleton was selected as one of the three Regions to participate in the program, and received four units. In June 1988, following three successful years of the PLUS program, Regional Council requested the Minister of Housing to develop a permanent "granny flat" program in Ottawa-Carleton. No official response to this request has ever been received.

The Planning Department initiated a study on granny flats in order to examine the effectiveness of granny flats as an alternative housing form for seniors and to evaluate options for increasing the supply. Regional staff are satisfied that the demonstration project has been successful and that the demand for granny flats far exceeds the current supply of four units.

The Planning Department report has been reviewed by staff of CMHC, the Ontario Ministry of Housing, the Council on Aging, Homes for the Aged, area municipalities, and local municipal non-profit housing corporations.

Purpose

The purpose of this Report is to present recommendations to encourage more granny flats in Ottawa-Carleton through a combination of public and private sector initiatives.

Background

The popular definition of a granny flat is a small portable detached dwelling unit that is designed to house an elderly parent(s) on the property of the host family. The concept of a granny flat as one alternative living

arrangement for the independent senior is a sound one, and is consistent with Provincial initiatives to foster aging in place. It is a particularly attractive option for seniors in the rural areas of this Region, where residential lots are large and alternative living arrangements are limited. It is an option which many seniors and their families in Ottawa-Carleton would like to pursue but the available supply, to date, has been limited. Municipal concerns about the adequacy of existing control mechanisms, along with zoning by-law restrictions, have prevented the popularization of granny flats through the private sector. However, it appears as if there are a number of manufacturers prepared to produce and market granny flats, given adequate support.

Key Features of a Granny Flat

There are a number of features of the granny flat which account for its attractiveness as a housing option. The most important include:

(1) the client to be served is a senior citizen;

(2) the "flat" is an attractive temporary housing unit designed to be portable;

(3) the "flat" is a cost effective alternative to expensive retirement residences or institutions.

1. The intended client group are seniors, generally aged 65 and over. In the case of the PLUS demonstration project, the eligible senior must be the parent (or parent-in-law) of the host property owner. The family's proximity to the elderly relative is an important element of security which enables the senior to live independently. For seniors who may otherwise live in isolation, the social benefits of the granny flat option are important.

2. The granny flats are attractive modular housing units designed to be portable and to sustain multiple relocations. The location of the unit as the second dwelling on the lot of a single family house is temporary. When the needs of the occupant or the host family change, the granny flat is removed.

3. The granny flat appears to be a cost effective alternative for seniors. Preliminary evaluations derived from CMHC indicate that the cost of renting a granny flat may be as much as 34% below the comparable cost of a residential care facility and 25% below a non-profit seniors apartment. In the case of a senior needing a subsidized rent, the cost savings to the public sector are similar.

Regulatory Issues

Ironically, the key features of the granny flat which make it an attractive housing alternative are also the elements which are the most difficult to control, without direct government intervention.

1. Limiting the occupancy of granny flats to seniors is difficult to control under existing municipal authority. The use of zoning by-laws to control occupancy by defining the characteristics of the occupant is illegal. The regulation of occupancy under the current PLUS program is controlled by the eligibility criteria established by the Province as part of this government-funded project. One possible mechanism to control occupancy of granny flats available through the private sector is licensing. The Municipal Act enables municipalities to license a variety of establishments and could be amended to include granny flats. The license could specify the name and age of the occupant and would be renewable on a yearly basis.

   Nevertheless, aside from government-controlled programs, there is currently no way to regulate the occupancy of granny flats.

2. Allowing the granny flat as a second dwelling on a lot has necessitated zoning by-law amendments. In every municipality in which a granny flat has been placed, the zoning provision permitting only one dwelling per lot had to be amended. A site specific temporary zoning by-law was passed by every municipality, except Rideau Township where a minor variance was granted.

3. Ensuring that the privately acquired granny flat is temporary is another key regulatory issue. Again, the use of a temporary by-law, under Section 38 of The Planning Act, is an appropriate mechanism to limit the granny flat as a permitted use for a period of three years. Temporary by-laws are renewable for an unlimited number of times. Failure to renew the by-law for whatever reason (at request of applicant; at request of an objector; by decision of Council) would automatically render the granny flat illegal.

   Concern has been raised by municipal staff that enforcement of the temporary by-law may be difficult, and that removal of a privately acquired granny flat may be impractical. There are two potential solutions: (1) to encourage the manufacturing sector to offer private leasehold, rather than ownership, options; (2) to allow for licensing of granny flats, which would enable municipalities to set conditions for removal of the unit. As previously discussed, the latter solution would require an amendment to the Municipal Act.

4. In a more general way, the promotion of alternative housing forms, such as granny flats, may be impeded by existing planning tools which are not flexible enough to accommodate non-traditional development. For example, Official Plans, including the Regional Official Plan, may contain policies which discourage or preclude granny flats from locating on rural lots (otherwise an ideal location for granny flats). The Regional policy for country estate lots is based on the requirement that one single detached dwelling only may be permitted on a 0.8 ha. lot. Furthermore, the Regional policy on multiple unit development in rural areas (specifically housing for senior citizens) is designed to permit the more traditional apartment or condominium development and is limited to locations in villages only, except for mobile home developments. In order to encourage granny flats the Regional Plan could be amended to specifically permit granny flats in rural (and other) areas of RMOC, and to establish general locational criteria for inclusion in local Official Plans.

Impediments to Affordability

The monthly rent for the granny flats available through the PLUS program have been in the range of $350, significantly below the anticipated market rent of a privately leased unit ($750 and above). Only about one-third of all senior households could afford the $750/month rent. Twice as many seniors could afford $350 per month. Furthermore, single seniors (of which 83% are women) are the least able to afford a privately arranged granny flat, although they constitute the most likely client group. It has been estimated that only 2,000 of the 16,500 seniors who live alone could pay the market rent without exceeding 30% of their income.

In order to assure equitable access to granny flats, subsidized rents for low and some moderate income seniors would be required. The Province and CMHC should be lobbied to include granny flats as an eligible housing form under the Rent Supplement Program. Similarly, the Province should examine ways to adapt their non-profit programs to allow granny flats, including consideration of a buy-back or cross-lease option. This would enable an individual to purchase a granny flat outright and sell it to a Municipal Non-Profit Corporation when it was no longer needed.

Conclusion

In order to accommodate the increasing demand for granny flats and to ensure that the key features have been adequately addressed, the Federal, Provincial, and Municipal governments should assume joint responsibility for making granny flats more widely available. The following changes are recommended in order to encourage more private sector production of granny flats and continued Provincial subsidies for lower income seniors:

Recommendations to Regional Council

Recommendations to Enable Private Sector Production

It is recommended that:

1. Regional staff prepare an amendment to the Regional Official Plan to specifically identify granny flats as an acceptable housing option and develop the appropriate policies to encourage and guide their location.

2. The proposed amendment to the Regional Official Plan for granny flats require local municipalities to review their Official Plans, Zoning By-laws and Site Plan Control By-laws to identify any provisions which might act as barriers to the establishment of granny flats. Further, these documents should be amended accordingly to encourage and control this alternative form of seniors housing, to include criteria on siting, road access, designations where permitted, and servicing.

3. Council request the Ontario Minister of Municipal Affairs to amend the Municipal Act to specifically enable municipal licensing of granny flats to regulate matters such as the qualifications of the occupant, conditions for removal, and procedures to be followed for changes in occupancy.

Recommendations to Encourage Further Government Involvement

It is recommended that:

4. Council request the Ontario Minister of Housing and the Federal Minister responsible for CMHC to revise their existing non-profit programs and rent supplement programs to determine the best way to include granny flats as an eligible housing form. The role of local Municipal Non-Profit Housing Corporations in the delivery of granny flats should be investigated.

5. The Regional Clerk write to the local Municipal Non-Profit Housing Corporations and request them to examine local needs for seniors housing, and lobby the Province and the Federal Government to expand their program criteria for granny flats.

Recommendations to Encourage Promotion of Granny Flats

6. It is further recommended that this report be forwarded to the following organizations for endorsement:

   - Council on Aging
   - Senior Citizens Council of Ottawa-Carleton
   - Provincial Ministries of Community and Social Services; Housing, Municipal Affairs
   - Provincial Office of Senior Citizens Affairs
   - CMHC
   - AMO

The Council of the Regional Municipality of Ottawa-Carleton adopted the recommendations on March 28, 1990, and letters were subsequently forwarded to the appropriate Federal and Provincial Ministers, and other agencies, as described in Recommendation 6.

Granny Flats Study

Section 1 - Purpose of the Study

The purpose of the study is to examine the feasibility of allowing more granny flats in Ottawa-Carleton through a combination of private and public initiatives. Specifically, the study will address ways to:

1. Establish a more permanent program in the Regional Municipality of Ottawa-Carleton with more extensive geographic coverage.

2. Develop alternative approaches to the granny flat program for the Province's consideration, including a continued but less dominant role for the Ministry of Housing.

Section 2 - Introduction

2.1 The Aging Population

Ottawa-Carleton is changing. Like many municipalities across Ontario and Canada, senior citizens are becoming an increasingly important segment of the regional population. In Ontario, 10% of the population is currently older than 64. By the year 2001, the Ministry of Housing forecasts that 15% of the Provincial population will be older than 64, and this will increase to 26% in the year 2031. In the Region of Ottawa-Carleton, there is a similar profile. In 1986 there were 58,950 people over 65 living in Ottawa-Carleton of which nearly 10% lived in institutional settings, and over 25% lived alone. While seniors comprised 10% of the region's total population, the number of senior-headed households at 35,255 was equivalent to 15.5% of total private households.

It is forecast that seniors will make up 11.5% of the population (89,335) in the year 2001 and 13.7% of Ottawa-Carleton's population (119,027) in the year 2011.

2.2 The Granny Flat Concept

Housing and health care for seniors are two of the major challenges facing our society in a period when government support is shifting to programs which foster "aging in place". The State of Victoria in Australia has responded to this challenge with a program designed to encourage independent living for seniors. They have pioneered the concept of "granny flats", a small portable detached housing unit that is designed to house an elderly parent(s) on the property of the host family.

Utilities such as electricity, water and sewer are shared between the two housing units. The granny flat is designed to be a temporary use, and its small cottage-like size and dimensions facilitate removal and relocation once its occupants no longer need it. The elderly parent retains his or her independence by having their own home, yet they are close enough to their children to share informal daily contact.

This concept has been copied in many different locations including the United States (echo-unit) and Canada (garden suite and P.L.U.S. unit). Nevertheless the greatest success has been in the State of Victoria with 4,300 units installed as of 1988. The granny flat keeps seniors in their own homes longer, producing great social and economic savings related to the high costs of institutionalization of the elderly.

2.3 The P.L.U.S. Project

After lobbying by Ottawa-Carleton in 1984, the Province of Ontario initiated a granny flat demonstration project, called P.L.U.S. (Portable Living Units for Seniors). Four units were allocated to Ottawa-Carleton as part of a 12 unit province-wide demonstration. Four units each were also allocated to the City of Waterloo and to the Regional Municipality of Sudbury. Ottawa-Carleton's participation in this project was determined by the large level of interest at both the public and political levels in the Granny Flats concept.

A Project Management Committee was appointed in the fall of 1984 and selected the sites and families that would be involved in the demonstration, beginning in early 1985. This committee included the Regional Housing Coordinator and Technical Assistant, Provincial officials, a representative from the RMOC Homes for the Aged and the RMOC Property Department, as well as a representative from each municipality where a unit would be placed and a representative from a senior citizens community group. The Project Management Committee also assisted the Province of Ontario in developing the Demonstration Project program and assisted in its on-going operation.

In June 1988, following three successful years of the program, Regional Council requested that the Ministry of Housing expand their Portable Living Units for Seniors project by developing a permanant program in Ottawa-Carleton.

The Province of Ontario has not responded to this recommendation, and is currently reviewing the various options for establishing a provincial program.

Section 3 - Granny Flats in Ottawa-Carleton

Annex A outlines a detailed history of the Granny Flats demonstration project within the Regional Municipality since 1985.

Of the four units initially assigned to Ottawa-Carleton two have been relocated. In total, six families and six sites have taken part in the demonstration. Currently there are 28 families on the waiting list for the granny flats (see Annex B). Seven applicants live in Gloucester, six in Nepean, five live in Ottawa, four in Cumberland, and two each in Rideau, Goulbourn and Osgoode. There has been tremendous interest in the project from the members of the public with hundreds of inquiries directed to the Planning Department and the Ministry of Housing. Frequent media coverage has served to heighten this interest from time to time.

Morewood Industries, an Eastern Ontario company, manufactured all four units. The initial location and subsequent relocation of the units went very smoothly in Ottawa-Carleton. Relocation costs were typically around $11,000.

The occupants of the granny flats have generally been very pleased with their new housing and the host families have reported a very positive experience in this demonstration project. A granny flat allows the elderly family member to have a large degree of independence, and at the same time, to reside close enough to the host family for informal contact. This leads to a greater sense of security in an elderly person, than would be the case living in isolation on their own.

Units were generally well accepted by the neighbours. This was partly because of the informal community involvement using neighbourhood tea parties and advance discussion before the granny flat was installed in each neighbourhood. Although granny flats may not be for all persons over 64 years of age, they are a very viable option for individuals who want to live independently and close to family members. The social benefits and the quality of these accommodations should give rise to serious consideration of a continued granny flat program in Ottawa-Carleton.

In all cases, municipal approvals were required to enable the placement of the granny flat as the second dwelling unit on a lot. With the exception of Rideau Township, all municipalities used the temporary use provisions of The Planning Act to permit the granny flat. Section 38 of The Planning Act enables the municipality to pass by-laws to authorize the use of land or buildings for a period of three years (renewable for unlimited 3 year extensions). This particular planning tool enables municipalities to permit granny flats for as long as they are

needed, without permitting two permanent dwelling units on a lot, throughout the low density residential areas of the municipality. It is a measure of control which most municipalities require. In the case of Rideau Township, a minor variance was granted by the Committee of Adjustment in order to permit two dwellings on a lot, with a condition that the variance would cease to have effect after three years.

The temporary use provisions proved to be quite acceptable although some concerns were expressed about the amount of time that it takes to enact a temporary use by-law. It is the same time as enacting a conventional zoning by-law. In one case, the unit had to be placed in temporary storage due to the length of time needed to obtain planning approval. In another, the family of a deceased occupant had a lengthy delay in removing the unit from their property as the next site had not received zoning approval. It is evident the success of the project is significantly affected by the planning approval process.

During the past four years, there has been one local appeal to the Ontario Municipal Board in the City of Gloucester. This appeal was similar to one launched in the City of Waterloo, where adjoining neighbours were concerned about real estate values.[1] The Ontario Municipal Board ruled in favour of the Granny Flats applicant in both cases. Due to this controversy, the Ministry of Housing commissioned an independent appraisal which found that Granny Flats did not devalue adjoining properties.

Section 4 - Provincial Evaluations

The Ontario Ministry of Housing commissioned three evaluation reports on different aspects of the P.L.U.S. demonstration project in order to evaluate the provincial program. These volumes contain an evaluation of planning regulations and legal assessment, a social assessment and a technical assessment. The draft reports may be summarized as follows.

4.1 Planning, Regulatory and Legal Assessment

This Assessment focused on those features of the P.L.U.S. dwelling unit program which have implications for planning and regulation. The fundamental aspects relating to the character of the occupants and the temporary use of the dwellings raise key questions. Specifically, these are identified as the issues of: a) how to regulate the availability of these units; b) whether the regulation can be accomplished within existing regulatory schemes; and c) whether any of these factors are discriminatory or illegal.

[1] Three other granny flat installations in Waterloo went very smoothly.

In analyzing the means to regulate P.L.U.S. dwellings, the Report assumes that any proposed regulatory schemes would allow for the participation of both the public sector and the private sector. The potential role of the private sector would be as a substitute for the public authority as a supplier of units and administrator of the program.

The report looked at five different scenarios for regulating P.L.U.S. units that included a) Official Plan policy statement and as of right zoning, b) site plan control, c) site specific temporary use by-laws, d) legislation enabling muncipalities to enact licensing by-laws for P.L.U.S. dwelling installation and e) special purpose Provincial legislation. Each of these five approaches were evaluated independently, and rated against ten criteria.

An official plan policy statement and as-of-right zoning would be most effective in reducing approval time. A granny flat could be defined and encouraged in official plan policy in all or part of a municipality. The zoning by-law could set out a granny flat as a permitted use and set standards such as minimum lot sizes, yard setbacks, and parking requirements. The disadvantages to this approach are that: 1) there would be no site specific public input into the location or approval of a granny flat, and ii) defining a granny flat in a zoning by-law is problematic.

Site plan control would enable a municipality to consider aesthetics of the granny flat unit and its relationship to surrounding properties. Siting on the lot, lighting, massing of the buildings, landscaping and grading could effectively be addressed by site plan control. Site plan control's disadvantage is that it would take additional time to obtain an approval and could be more costly to applicants to hire professionals to develop a site plan. In a carefully planned neighbourhood, however, this method would ensure that the granny flat unit is well located with the minimum of disturbance to utilities, neighbouring properties and the appearance of the neighbourhood.

Site Specific Temporary Use By-laws have the advantage of allowing the municipality to monitor the use and impact of the granny flat. To date this approach has worked well but it is cumbersome for a municipality to administer. The occupant may require the unit for more than three years; necessitating the renewal of the temporary use by-law. Each by-law requires a public hearing and public notification.

It should be noted that a zoning by-law cannot regulate the characteristics of the occupant of a dwelling. As a result, licensing by-laws for granny flats are considered by many to be a valuable implementation tool. Granny flats would be licensed by a municipality and thus, provide a mechanism to control the qualifications of those entitled to the unit. When the occupant no longer needs the granny flat, the municipal license could be revoked and the unit relocated. In this way, the concern about the unit becoming a permanent income rental property could be dealt with. The main disadvantage to this approach is that it would require an amendment to the Ontario Municipal Act and would thus cause substantial delay in implementing a program.

The final option is special purpose legislation passed by the Province. "A Granny Flats Act" would put the entire program beyond municipal control, as it would override existing Official Plan and zoning provisions. It is not likely the Province will enact such legislation, as it would assume that the Province desires to continue its leading role in granny flats. Municipalities would also risk a standardized program that may not be as useful and responsive to municipal needs as if they developed a granny flat program using the existing provisions of the Planning Act.

The report concluded that each of these tools had merit, and it would be best to let the local municipalities decide on the most appropriate mechanisms. It would appear that Official Plan policy statements and as of right zoning are a definite possibility. However, municipalities would have greater control over the relocation of the units if there was an amendment to the Municipal Act to permit licensing of granny flat units as a complement to the Official Plan and zoning provisions.

4.2 Social Assessment

This report evaluated the social impacts of granny flats. An assessment of the impacts on the occupant host family and neighbours was undertaken. Only 11 families associated with the demonstration project took part in the questionnaire as one granny flat was not yet installed. Seventeen neighbours were interviewed. Six individuals who did not participate in the project were also interviewed.

A total of 24 recommendations, including recommendations on the target group, design elements of the unit, and procedural improvements, were included in the Report. Of note was that:

- The "middle-old", the 75-84 age group, is thought to be the group which will have the greatest demand for granny flats.

- The importance of comprehensive screening for applicants is stressed.

- There should be an in depth social assessment of the host family.

- All units should be carefully designed for the client group, who are likely to have reduced dexterity and reach, or may be physically disabled. This is especially important as it is likely that the occupant will, prior to leaving the unit, have a decline in his/her mobility.

- That an up-to-date survey of the host family property be made available to the contractor in all instances.

- That the responsibility for maintenance be firmly established prior to the installation of the unit.

It was recommended that causes of delays during the approval process at both the provincial and municipal levels be identified and attempts be made to minimize these delays as they create a great deal of uncertainty for host families and occupants.

4.3 Technological Research and Assessment.

Undertaken by M.M. Dillon, Consulting Engineers and Planners, this report evaluated the construction, design, installation and costs of granny flats. The report endorsed the concept of granny flats as a viable option for seniors, based on their assessment of the P.L.U.S. program as a technical success. The P.L.U.S. units performed very well in terms of the high quality of construction, movability, ease of installation, durability, and adaptability to various site conditions.

The economic analysis included a comparison of P.L.U.S. units to other types of portable homes. The total per unit installed costs for P.L.U.S. units in RMOC ranged from $47,340 to $55,800, slightly below the costs incurred in Sudbury, where installed units, in some cases, cost as much as $61,000. Cost comparisons of total installed unit costs between the P.L.U.S. unit and a comparable mobile home, modular home, pre-fabricated home and Australian granny flat, indicate that the P.L.U.S. units per square foot cost are significantly higher than those for other modular or portable housing types. This cost is attributed to (a) the small floor area of the unit, (b) special features and requirements of the unit and (c) aspects of the current design of the unit which are not compatible with the existing manufacturing process being used by the pre-manufactured housing industry.

By incorporating various cost reduction measures and mass production, there is a potential to reduce the total installation cost for each unit to approximately $38,500 to $43,200 at $64 to $73 per square foot (page 111). However, it should be recognized that cost-cutting measures must be carefully reviewed in order to ensure that the attractive appearance of the granny flat is maintained. The design of the granny flat was identified as a very important selling feature, in a market survey undertaken by CMHC (see section 5 herein).

The study also had some interesting recommendations, including, for example, that a detailed technical plan should be prepared for the implementation of P.L.U.S. units. Important components of this plan would be 1) the resolution of zoning issues, 2) preparation of standard specifications, 3) the tendering for experienced manufacturers to make and install P.L.U.S. units, 4) reduction in cost through design and 5) development of a plan to specifically define the role of the Ministry of Housing, the manufacturer of the units, and the contractor commissioned to install the units, as well as the P.L.U.S. unit occupant and host home owner.

4.4 Conclusion

All assessments are positive and support the concept of P.L.U.S. living units, but they do highlight problems which need to be resolved before the P.L.U.S. program, or a variation, can be expanded. These include a revised design to reduce costs, legislative changes or local by-law amendments to improve regulation of P.L.U.S. units and the need for carefully defined roles for each of the participants in the P.L.U.S. or granny flat program.

Section 5 - Federal Initiatives (CMHC)

The Canada Mortgage and Housing Corporation (CMHC) has also sponsored a demonstration project taking a somewhat different form than the Province of Ontario. Several prototypes of garden suites (CMHC name) were displayed in public areas such as shopping centres all across Canada. Gallup prepared a market assessment, which reflects demographic and public opinion trends. Of significance from this work was the conclusion that 45% of senior citizens have children who can accommodate garden suites on their property. However, it is noted in the study that only a minority of potential hosts (29%) were considered likely to acquire a granny suite, but nonetheless, this would reflect a market of 1.8 million hosts all across Canada. Almost half of the national market lies in rural areas of 10,000 residents or fewer.

Gallup discovered an overall preference for buying garden units as opposed to renting, although they noted that a rental option will be particularly important in Quebec and for French Canadians. The purchase prices were generally seen as acceptable whereas rental prices were typically perceived as too high. This study indicated within broader economic contexts, "the pricing of the suites will be critical for take up as it is for real estate in general."

In 1988, CMHC issued a statement that allows CMHC to issue insurance for chattel mortgages on mobile and modular homes. This policy would apply to granny suites and would permit them to be financed by private banks and trust companies. The requirements are that the purchaser have a minimum 10% downpayment, that the unit itself meets CMHC standards, that there be a signed lease acceptable to CMHC and that the amortization period of the unit would not be greater than 20 years or the life of the unit, whichever is the lesser. This development opens up the possibility of families purchasing their own individual unit.

Section 6 - The Private Sector

The Canadian Manufactured Housing Institute, (CMHI) was a partner with CMHC in the garden suite demonstration project. There are over 200 potential manufacturers in Canada who would be in the position to manufacture and fill the demand for granny flats. Major constraints to the popularization of granny flats have been restrictive regulations and planning by-laws across Canada.

The Alberta government is working with CMHI to back a granny flats demonstration in Southern Alberta. This involves using experimental housing provisions of the Alberta Planning Act and designating the City of Lethbridge as a granny flat demonstration area. It is proposed that granny flats would be allowed on both single family lots as a second unit and in some cases would be clustered on blocks of land to house a number of senior citizens.

There are also some interesting private sector developments within the Province of Ontario, including the establishment of two new companies which are marketing granny flats. Granny Flats Inc. with offices in Belleville and Barrie currently produces a commercial granny flat for sale to anyone who wishes to purchase them or will lease them as part of a "turn-key" operation (that is, they would deliver a fully completed granny flat and install it). They will be available on the market shortly for purchase or lease. They also would be responsible for its relocation when it is no longer needed.

In Oshawa, a company called Garden Units Leasing Ltd. is developing a panellized granny flat. This would involve dividing the granny flat unit into easily assembled pieces. Each piece would be able to pass through a four foot area and would be assembled in the back yard as a second residential unit. This particular company is looking for municipal partners to propose an innovative demonstration project of this technology and approach to the granny flats concept. There is also a local company that has developed expertise with granny flats and is available to manage and relocate these units.

The private sector is poised to market granny flats for sale or lease. It is expected that there will be more granny flat leasing companies just as currently there are companies that lease out portable offices (i.e., A.T.C.O. Industries, Relocatable Homes Ltd. of Stittsville).

Section 7 - Local Municipalities in RMOC

There are three muncipalities in Ottawa-Carleton that have exhibited a great deal of interest in granny flats. The first is the City of Kanata. The zoning by-law for Riddell Village, part of the South March community in Kanata, permits a granny flat as of right subject to several requirements. These include that the property back onto non-residential lands, there is a minimum lot size of 430 square metres (4,628 sq. ft.), there is a requirement for a site plan approval and that each granny flat have one parking space. The granny flat cannot cover more than 15% of the area of the lot and yard setbacks are 1 metre in all cases. Granny flats are only permitted in a rear yard and there is a minimum separation distance required between a granny flat and all other buildings of 1 metre.

Granny flats are defined in by-law 53-89 as "a fully detached portable senior citizens dwelling unit which is accessory to a fully detached dwelling unit and dependent on it for sewer, water, telephone and cable television connections and which is located temporarily solely for occupancy by the parent, parents, parent in law, or parents in law of the owner of the main dwelling unit.

The City of Ottawa's draft Official Plan specifically includes portable living units for Seniors (P.L.U.S. units) in the definition of Minor Residential Growth.

The Township of Osgoode permits in all residential zones an ancillary apartment to be contained in a single family residential home pursuant to Amendment 26 of the Osgoode Official Plan. These apartments could serve the function of granny flats being completely self-contained, although they are not limited to the use of senior citizens. The policy is written in a general fashion which permits location of a modular granny flat in the back yard of a host property, provided it is attached to the main dwelling unit by a breezeway.

Section 8 - Key Features of the Granny Flat Concept

These are the features an expanded granny flat program must take into account to be successful.

8.1 Temporary Use and Relocations

Granny Flats are intended for the life of its occupant who is an elderly parent of the owners of a host property. When that person becomes physically infirm or dies, the granny flat is then relocated to another property. It is not intended that granny flats become a permanent fixture in residential neighbourhoods beyond the actual social need of the family. This portability aspect of a granny flat also requires that there be special design features, particularly that the unit be strong enough for multiple relocation. This also ensures a high quality design. It does pose some problems, however. When the unit is actually installed or withdrawn by a heavy-duty crane, it can be disruptive to a neighbourhood.

8.2 - Design for Seniors/The Client to be Served

The design of the granny flat must be tailored to the needs of seniors, who may be capable of independent living despite a variety of possible limitations. Limited vision, reduced mobility, hearing impairments are only a few common examples of seniors' health problems. Design features to facilitate comfortable independent living might include: ramps to replace steps at the front of the unit, R2000 insulation; special kitchen and bathroom features (low cupboards, grab bars etc.); call bell system connected to the host house.

The Provincial social assessment recommended that the double-size unit be used as much as possible, regardless of the number or occupants. It further suggested that the granny flat could be well-suited to a senior couple, even if one partner is infirm or disabled. With the availability of local support services, this couple could manage on their own in an appropriately designed unit.

8.3 - Public Ownership, Subsidy/Municipal Regulation

An important concern that has been identified by a number of authors and agencies is that for the granny flat concept to be successful, there must be some public involvement whether it be provincial, federal or municipal. The involvement is suggested by many authors to be the ownership of the unit and the supervision of its installation and withdrawal. This involvement gives the neighbourhood confidence the use is temporary and the unit will be relocated when its occupant no longer needs it. Not everyone can afford these units. Therefore, public involvement should be considered for subsidy of this type of seniors housing consistent with other seniors housing programs for those who cannot participate in the private market.

8.4 - Neighbourhood Acceptability

Both the CMHC Survey and the Ontario government evaluation confirmed the importance of neighbourhood acceptability to the success of a granny flat program. Concerns about aesthetics and property values had been expressly articulated by some neighbours affected by installations in RMOC. Although a Provincially-commissioned study on property values concluded that the installation of a granny flat did not affect adjacent or nearby property values, the perceived concern remains as a potential problem. In order to gain acceptance, the granny flat must be attractive and must be well-sited on the host's lot in order to minimize the visual intrusion into the neighbourhood. It would be important to maintain a high design standard to ensure an attractive appearance, even if cost-cutting measures are being considered.

It is equally important to ensure that the size of the lot is adequate to support the installation without encroaching on the neighbour's property.[1] Large rural lots are particularly well-suited to granny flat installations.

[1]In one specific instance, serious damage was done to a neighbour's property during installation, with a lengthy delay prior to repairing the damages.

8.5 Legislative Authority

In a general way, the promotion of alternative housing forms, such as granny flats, may be impeded by existing planning tools which are not flexible enough to accommodate non-traditional development. For example, Official Plans, including the Regional Official Plan, may contain policies which discourage or preclude granny flats from locating on rural lots (otherwise an ideal location for granny flats). The Regional policy for country estate lots is based on the requirement that one single detached dwelling only may be permitted on a 0.8ha. lot.

Similarly, most zoning by-laws do not accommodate the concept of granny flats. A well-established principle of planning in Ontario is that there is to be only one unit per lot in low density residential areas. This provision seems to be founded on the principle that zoning by-laws may be used to protect property values. It is therefore quite problematic to propose changes in this traditional thinking. Nevertheless, there are much better planning controls offered under the new Ontario Planning Act than its predecessors, although legislative changes may be required in order to ensure a successful granny flat program with wide-spread application.

8.5.1 Existing Mechanisms

Extending the granny flat program by relying on existing mechanisms would require a combination of techniques, including Official Plan amendments, zoning by-laws and site plan agreements.

Application of the Intensification policies of the new Provincial Policy Statement on Land Use Planning for Housing could lead to specific policies to encourage granny flats. This is particularly relevant in rural areas, where other options for intensification are limited. Furthermore, the Regional policy on multiple unit development in rural areas (specifically housing for senior citizens) is now designed to permit the more traditional apartment or condominium development and is limited to locations in villages only. In order to encourage granny flats the Regional Plan could be amended to specifically permit granny flats in rural (and other) areas of RMOC, and to establish general locational criteria for inclusion in local Official Plans.

Implementing zoning by-laws establishing specific requirements and minimum standards for a granny flat could be prepared, similar to the by-law in Kanata. This zoning could apply to an entire municipality or only sections of a municipality as is the case in Riddell Village, part of the City of Kanata.

Another complementary tool available to the municipality is the use of site plan control. This could be used quite effectively to govern the provision of walkways, the siting of the building, and landscaping. At the option of the municipality, informal neighbourhood meetings could be incorporated into site plan approval. Stringent, yet reasonable use of site plan control should lessen neighbourhood fears about the granny flat unit.

Temporary use by-laws although somewhat cumbersome and lengthy in terms of their approval (anywhere from 3 to 8 months) could continue to be used effectively if more comprehensive zoning provisions are not enacted. They have the advantage of enabling each site to be judged on its individual merit. One disadvantage is the administrative problem of keeping track of the by-law renewal date. Nevertheless, if a municipality is strongly committed to this concept, the temporary use by-law approach is feasible.

8.5.2. Legislative Changes

More effective control over the regulation of granny flats could be achieved through legislative changes to the Municipal Act and/or The Planning Act. A proposed amendment to The Municipal Act would allow municipalities to issue licenses for installation of granny flats to regulate matters not properly included in zoning by-laws, such as occupancy characteristics. The license could specify the name and age of the occupant of the dwelling unit and conditions under which the unit would be removed.

An appropriate amendment to the Planning Act would address Section 38, Temporary Use By-laws. Subsection (2) thereof could be amended to extend the time limit beyond three years (perhaps to five) for granny flats. This would reduce the frequency of the cumbersome procedure for by-law renewal.

8.6 Costs

A simple cost comparison of alternative residential options for Seniors is included in Table 1, and is derived from a preliminary assessment of granny flats prepared for CMHC. Residential care facilities are identified as an alternative living arrangement for Seniors, because institutional living may be the only available option for Seniors in some areas. The monthly costs associated with living in a seniors' non-profit apartment and granny flat include a modest allowance for supportive care (meals on wheels, four times a week, a visiting nursing once a week, and a homemaker once a week).[1]

[1] The majority of seniors surveyed by CMHC indicated that support services such as home care, health care, transportation on call, would be necessary to assist them in living independently in granny flats.

The total monthly cost, including both the housing and care components, is significantly lower for granny flats than the other two options. The estimated rent for a granny flat is $700 per month (depending on the model), with an estimated supportive care cost of $408 per month. About $200 would be subsidized by the Province to cover 100% of the nursing cost and 70% of the meals on wheels cost. This subsidy is available to any Senior, regardless of income or type of private residence. By comparison, the care component of a residential care facility is estimated at $1,095 per month. Provincial subsidy would be available only to eligible low income Seniors.

The total cost to the public for each of these housing options varies depending on the client served. However, the level of subsidy required to house a Senior in a granny flat would be far less than that required for a care facility or a non-profit apartment. Even in the case of a Senior with an income high enough to afford market rent in a non-profit building, there is an implicit subsidy paid by the Province. Table 1, for example, indicates a cost of $1,100 per month (economic rent) to operate a non-profit apartment; however, the market rents would be set in the $500 - $ 550 range. On the basis of the CMHC Report, the following costs are estimated to be the public cost of subsidizing one Senior on a minimum income of $793 per month in Ontario (includes Old Age Pension, GIS and GAINS):

- Residential care facility: $1,020 per month
- Non-profit apartment : $1,232 per month
- Granny flat : $ 832 per month

The cost to the public includes a subsidy for the personal care cost, as described above, and a subsidy for housing cost to ensure that no Senior pays more than 25% of their income on rent for an apartment or granny flat; in this case, the individual's contribution to rent would be $199. At the present time, there is no Provincial or Federal housing subsidy program which extends to granny flats.

The cost to the individual for each of these housing options would vary depending on the personal income level and the level of subsidy available. At a minimum, however, a Senior would need an annual income of $28,000 to afford a monthly rent of $700 for an unsubsidized granny flat (based on the accepted 30% debt ratio). About half of all Seniors households in the Region are estimated to have incomes of $28,000 or higher. Annex C includes a more detailed analysis of the affordability of granny flats.

TABLE 1
COST COMPARISONS
ALTERNATIVE SENIORS HOUSING

	CAPITAL COST	OPERATING COST		TOTAL MONTHLY COST
		Care/Services	Building Operations	
Residential Care Facility	$ 48,000	$36/day $1,095/month	$20/day $608/month	$ 1,703
Non-Profit Seniors Apartment	$ 82,000	Meals on wheels $90/month Housekeeper $180/month Nursing $138/month	$1,100/month	$ 1,508
Granny Flat	$ 50,000 installed and removed	Meals on Wheels $90/month Housekeeper $180/month Nursing $138/month	$ 700/month	$ 1,108

Source: DPA Group, "Garden Suites: An Evaluation Report", prepared for CMHC, 1989.
Ministry of Housing, MUP Guidelines, 1989.

Section 9 - Options for a Granny Flat Program in Ottawa-Carleton

There are three types of programs that could be developed. The first is entirely sponsored by the private sector. The second is non-profit housing or public sector and the third is direct provision by a senior level of government program. Table 2 summarizes the key features of each type of sponsorship.

9.1 Private Sector

There are over 200 manufacturers who have the capability to manufacture granny flats in Canada. There are many people who are in the position to afford these either through the proceeds from sale of their home, or their personal income. Many can also afford to enter into some kind of rental agreement. For example, they may be able to rent their large home to a family member and then put a smaller granny flat on the property. Details will have to be worked out by each individual family.

There is an increasing interest from the private sector in the granny flat concept. There are firms that will lease units; there are firms that will sell units and the role of the municipality may simply be one of regulation as they regulate other uses such as conventional homes, all different types of multiple family residential and commercial uses.

The advantages of this type of program are: 1) no funding is required from the public sector; 2) there is no administrative organization required by the municipality with regard to distribution of units, rent collection, management, maintenance etc. The disadvantages in the absence of legislative changes to permit licensing are: 1) there may not be adequate control over the exterior design of the units, 2) control over occupancy is problematic, 3) ensuring relocation is difficult, and 4) the units would not be available to lower income seniors. However, the affordability of private sector units could be significantly enhanced if the Province expanded its Rent Supplement program to include granny flats. In the state of California, granny flats have been abused and used generally as rental property after the original occupant no longer required it. The solutions to some of these problems may lie within the municipal administration and enforcement of their by-laws and contracts.

9.2 - Non-Profit Housing - The Public Sector

This category of programming would see a role for municipal or private non-profit housing corporations, who would seek to acquire granny flats with Provincial funding. It would be very similar to the Australian model where any of these groups could actually have ownership of the unit and then lease them out on a

TABLE 2
GRANNY FLAT PROGRAM OPTIONS

Key Elements	Private Sector	Non-Profit	Direct Government
Affordability	Limited to upper middle and high income seniors	RGI Component extends eligibility to all seniors	RGI or indirect subsidy extends eligibility to all seniors
Tenure	Client owned, or lease, or lease-to-own	Lease or cross-lease	Lease
Relocation	May require vigilant enforcement of municipal by-laws	Quick removal	Quick removal
Design for Seniors	Market-driven design features, may be constrained due to competitive pricing	Uniform standards from local or Provincial requirements	Uniform provincial standards
Neighbourhood Acceptability	More uncertainty due to lack of aesthetic control more fears about permanency	Fewer fears about removal, aesthetics	Fewer fears about removal, aesthetics
Public Funding	Possibly rent supplement	Public funding as per Provincial Federal non-profit Short term capital costs, but potential long term savings, with reduced demand for costlier alternative seniors housing	100% public funds
Regulatory Requirements	Licensing to Control Occupancy* Temporary use by-law Site plan control	Temporary use by-law or as-of-right Zoning	Temporary use by-law or as-of-right zoning
Management (Rent Collection; Maintenance Allocation Relocation)	Manufacturer, or its agent	Non-Profit Corp.	Province through local, Regional Municipality, or non-profit Corp.

* No authority unless amendment to the Municipal Act

cost-recovery basis. These organizations would be responsible for all the administration, selection of the occupant and the relocation of the unit once the need is no longer there but would be supported by the Provincial and/or Federal governments through loans to enable acquisition of units.

Delivering a granny flats program through the non-profit sector would be the preferred solution, with the right level of support from the Provincial and Federal governments. Control over aesthetics, occupancy, relocation, and affordability would be maintained by the non-profit-corporation in conjunction with municipal officials. The availability of the units would, however, be limited by the extent of senior government funding. It is likely that funding levels would not be sufficient to allow for a significant program in Ontario. However, the Province should be urged to continue the P.L.U.S. program, and to examine how the non-profit programs may be adapted to allow for P.L.U.S. units, particularly in rural areas where seniors housing options are the most limited.

Alternatively, the Province could encourage a joint public-private sector approach to granny flats through: 1) extending the Rent Supplement program to include granny flats, and/or 2) modifying the non-profit program to allow for granny flats, including a cross-lease or buy-back option. Under option 2, an individual could purchase a granny flat outright and sell it back to a Municipal Non-Profit Corporation when it was no longer needed.

9.3 Direct Delivery by Senior Government

The third category of programming is a government-delivered program. This would be a program delivered by either the Provincial or Federal government. It is unlikely that either the Province or Federal Government will assume this role, as it would be inconsistent with their other housing programs. The Province stopped providing new housing units directly over ten years ago. It would be more consistent for the Province to extend or modify certain of their existing programs to include granny flats; i.e. - rent-geared-to-income, or non-profit.

Section 10.0 Conclusion and Recommendations

The concept of a granny flat as an alternative living arrangement for the independent senior is a sound one. It is a particularly attractive option for seniors in the rural areas of this Region, where alternative living arrangements are limited. It is an option which many seniors and their families in Ottawa-Carleton would like to pursue but the available supply, to date, has been limited to four demonstration units provided by the Provincial

government. Municipal concerns about the adequacy of existing control mechanisms, along with zoning by-law restrictions, have prevented the popularization of granny flats through the private sector. However, it appears as if there are a number of manufacturers prepared to produce and market granny flats, given the right political and economic environment.

In order to accommodate the increasing demand for granny flats and to ensure that the key features (identified in Section 8 of this Report) have been adequately addressed, the Provincial and Municipal governments should assume joint responsibility for making granny flats more widely available. The following changes are recommended in order to encourage more private sector production of granny flats and continued Provincial subsidies for lower income seniors:

Recommendations to Enable Private Sector Production

1. The Region should specifically identify granny flats as an acceptable housing option in the Regional Official Plan and develop the appropriate policies to encourage and guide their location.

2. Local municipalities should review their Official Plans, Zoning By-laws and Site Plan Control By-laws to identify any provisions which might act as barriers to the establishment of granny flats, and further, should amend these documents accordingly to encourage and control this alternative form of seniors housing. Criteria regarding siting, road access, designations where permitted, servicing, etc., should be addressed.

3. The Province should amend the Municipal Act to specifically enable municipal licensing of granny flats to regulate matters such as the qualification of the occupant, and conditions for removal, and procedures to be followed for changes in occupancy.

Recommendations to Encourage Further Government Involvement

4. The Province and CMHC should revise their existing non-profit programs and rent supplement programs to determine the best way to include granny flats as an eligible housing form. The role of local Municipal Non-Profit Housing Corporations in the delivery of granny flats should be investigated.

5. Local Municipal Non-Profit Housing Corporations should examine their local needs for seniors housing and lobby the Province and the Federal Government to expand their program criteria for granny flats.

Recommendations to Encourage Promotion of Granny Flats

6. This report should be forwarded by Regional Council to the following organizations for endorsement:

   Council on Aging
   Senior Citizens Council of Ottawa-Carleton
   Provincial Ministries of Community and Social Services; Housing; Municipal Affairs
   Provincial Office of Senior Citizens Affairs
   CMHC
   AMO

SUMMARY OF GRANNY FLAT ACTIVITY IN OTTAWA CARLETON

LOCATION	DATE	UNIT TYPE	HOST/OCCUPANT	BYLAW	AGENCY	RENT	LOT SIZE	COMMENTS
** Kinburn, West Carleton	Oct 22 87	Single	Mr. Senior Mrs.Senior Mother	OP amendment Temporary Zoning Bylaw	* Property Services	$ 330.00	44 acres	* Hybrid contract in which the Region is responsible for maintenance for 3 years then West Carleton NonProfit takes over.
Vars, Cumberland	Oct 29 85	Single	Mrs. Richardson Mother	Temporary Zoning Bylaw	Cumberland NonProfit	$330.00	105 ft * 200 ft	Occupant died and unit moved to Kinburn, WC
** 1200 Quiggly Hill Cumberland	Dec 88	Double	Mrs. D. Ford Mr/Mrs Mahaffy	Temporary Zoning Bylaw	Cumberland NonProfit	$330.00	263 ft * 389 ft	Unit was moved from Vars, Rid
Vars, Rideau	Dec 5 85	Double	Mrs Labrecque Mr/Mrs Brisson	Temporary Minor Variance	Rideau NonProfit	$330.00	90 ft * 302 ft	Had to get approval from the Rideau Valley Conservation Authority Death of occupant caused unit to be moved to Quiggley Hill,Cumberland
** 27 Crystal Beach, Nepean	Oct 29 85	Single	Mr Koneczny Mrs. Scyzyca	Temporary Zoning Bylaw	Property Services	$336.00	90 ft * 103 ft	Plat incorrectly sited, had to move unit 4 feet as it was in violation of zoning and fire codes
** 31 Red Maple Cr Gloucester	May 20 86	Double	Mr Rubenig Mr/Mrs Lacroix	Temporary Zoning bylaw	Property Services	$336.00	55 ft * 139 ft	OMB hearing. Zoning upheld One main opponent whose main concern was property val

** Indicates present occupancy

ANNEX A

ANNEX B

GRANNY FLAT APPLICATIONS SUMMARY

JUNE 1989

OTTAWA	5
NEPEAN	6
GLOUCESTER	7
CUMBERLAND	4
RIDEAU	2
GOULBOURN	2
OSGOODE	2
	28

* SINGLE = 14
* DOUBLES = 14

Annex C

A Study of Occupant Profile and Households - Markets Within the Regional Municipality of Ottawa-Carleton

The purpose of this background paper is to provide a demographic profile of senior households[1] in the Regional Municipality of Ottawa-Carleton and to identify potential market for granny flats.

The issue of affordability will also be addressed to compare the impacts of private sector vs. public sector granny flat programs. Under the current provincial demonstration project (P.L.U.S.), the local rents are set at $350 per month. It has been estimated that a granny flat delivered by the private sector would cost $700 - $750 per month.

1. CMHC Survey

Presented below is a review of CMHC's 1989 potential granny flat "occupant" profile for households, drawn from both national and provincial findings.

Table I summarizes the potential market for Canada, Ontario and R.M.O.C.

A review of CMHC's national survey reveals a potential "occupant" market which is defined according to the factors of age, kinship, home ownership and lot size.

> "A potential occupant is defined as anyone 60 years of age or older who has at least one child living in Canada who owns a detached or semi-detached house with a lot large enough to accommodate a garden suite...about the size of a double garage." (CMHC, page 7, Appendix I, page 2, 1989).Generally, CMHC observed:

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[1] Unless otherwise stated, senior households encompass those households which are headed by individuals 65 years of age or older.

Generally, CMHC observed:

> "At a national level, including both occupants and hosts, the predominant characteristics of the potential market show them to be primarily married people (80%), anglophones (75%), women (59%), those with a high-school level education (48%)...and individuals at all levels of income." (CMHC, p. 12, 1989).

CMHC's study does however highlight the fact that program participation would be sought by all senior household income groups. Thus, there would not appear to be any social stigma associated with participating in the P.L.U.S. program.

The size of the potential occupant market across Canada is estimated between 1.01 and 1.05 million households. This represents 45% of all households headed by individuals aged 60 or older. CMHC has further estimated that the likely market would be about half of the potential market; i.e. - about 514,500 Senior Canadians are likely to want to live in a granny flat.

The potential occupant market for granny flats in Ontario was estimated to be slightly below the national average at 41% of total households headed by Seniors. On this basis, the size of the Ottawa Regional market was calculated to be 20,660 potential occupants, and 10,330 likely occupants (See Table I). It is realistic to expect that only a fraction of this potential market will generate occupants for granny flats.

Over two-thirds of the provincial and national markets fall in the 60-69 age group. This is contrary to the experience of the Ontario P.L.U.S. program, where the average age of the 13 participants is 77.5 years. This would indicate a middle old age program market. While the 60-64 age group, by their numbers have obviously weighted the potential occupant market in favour of the lower age groups, the CMHC study appears to be based on a longer term 30 year market horizon.

The likely host market was also assessed by the CMHC Survey, and was estimated nationally to be nearly 1.8 million. Extrapolating the Provincial figures reported by CMHC, it has been calculated that the potential host market in RMOC is 62,661 households. The likely market would be 18,172 households.

CMHC has identified the characteristics of the hosts as typically a family headed by an individual between 30 and 49 years of age, with one or two children. The host market in Ottawa-Carleton would likely be drawn from among the 44,305 family households headed by a 30-49 year old, and living in single-family dwellings.

2.0 RMOC Market Potential

The 58,950 seniors 65 and older residing in Ottawa-Carleton in 1986 represented 9.7% of the total population. Another 25,920 persons in 1986 were between the ages of 60 and 64. The middle-old category being those seniors between the age of 75 and 85, and often the group most in need of the P.L.U.S. option due to the onset of mobility and health problems, represented 2.8% of the RMOC population (16,985 persons). Women over 65 out-numbered men by 1.6 to 1 in 1986. Women over 75 out-numbered men by more than 2 to 1. (See Table II).

Nearly 90% of all Seniors over 65 lived within the urban area of the Region in 1986, including 42,290 in the City of Ottawa alone. A total of 4,310 Seniors lived in the rural area. (See Table III).

According to the 1986 Census, just under 10% of all Seniors over 65 resided in some form of institutional setting or collective dwelling. The remaining 53,210 Seniors lived in private households, including 30,375 living in family households and 22,835 in non-family households. Approximately 15.5% of all households in the Region are headed by an individual aged 65 or over (total of 35,300). Nearly half of all Senior households are single person households of which 80% are females.[1] Table IV illustrates the living arrangements of Seniors in private households, and identifies over 5,000 Seniors living with relatives or children. Although this represents only a small percentage of the total Senior population, it does provide a good indicator of the potential granny flat market for occupants and hosts. About 845 of those Seniors living with relatives lived beyond the Greenbelt (half in the rural area, half in the urbanizing centres).

Of the 35,300 Senior-headed households in the Region approximately 52% are homeowners and 48% are tenants. This tenure split is identical to the general tenure split in the population as a whole. The number of Senior-headed households living in single-family housing is similarly high at 7,500.

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[1] It is commonly believed, and was re-articulated at the Housing Options for Seniors Conference (1988), that living alone is one of the best predictors of institutionalization needs. The Conference also recognized that granny flats (garden suites) provided an opportunity to allow Seniors to live independently, within close range of their families.

Another 7,690 households headed by persons between 60 and 64 live in single family dwellings. Of the 17,000 Senior tenant households, nearly two-thirds were headed by females, although overall, females accounted for only 49% of Senior-headed households. Even more significantly, females accounted for nearly 80% of all low-income Senior households. (See Table V).

2.2 Affordability of Granny Flats in RMOC

Table VI compares the affordability of a granny flat at $750 per month (under the private market) to one available under the existing P.L.U.S. program at $350 per month. Affordability calculations at a 25% and at a 30% debt load ratio were prepared to determine the income required to afford these rents. The calculations also assume that the senior occupying the granny flat would pay the entire rent without economic support from the children.

On this basis, it is estimated that only about one-third of all Senior households could afford the $750 monthly rent; as many as two-thirds of all Seniors could afford the $350 rent. Households subsisting on pension only (combined OAS, GIS and GAINS) could not afford either option. Seniors living alone would also be disadvantaged by a private market only program, with as few as 1,600 to 2,240 persons with incomes high enough to afford the $750 rent. This is equivalent to only 10% - 14% of all single person Senior households. Women are the most severely affected, as they account for 83% of all Seniors living alone, and 79% of all low income Senior households.

In order to bring low and moderate income senior households into a private market program, rent supplement subsidies would be required. This action would be necessary for these households to benefit from the program without spending more than 25 - 30% of their income on housing costs. This might appear costly but in contrast to the costs of institutional care, and non-profit operating and building costs, subsidies for granny flats could be cost effective.

TABLE I

POTENTIAL MARKET FOR GRANNY FLATS

	POTENTIAL OCCUPANTS				POTENTIAL HOSTS			
	Households 65+	%Who Qualify	Potential Market	Likely Market	Households 18 - 59	% Who Qualify	Potential Host Market	Likely Host Market
ANADA	2,281,760	45.1%	1,029,074	514,537	6,688,175	40%	2,661,894	771,950
NTARIO	850,070	41 %	348,529	174,264	2,371,655	35.5%	841,938	244,162
MOC	50,390	41 %	20,660	10,330	176,510	35.5%	62,661	18,172

NOTES

1. The likely occupant market is 50% of the potential market
2. The likely host market is 29% of the potential market.

SOURCE: CMHC, Garden Suites: 2 National Survey, Vol 1, 1989
Census of Canada, 1989

TABLE II

SENIORS' POPULATION FOR FIVE YEAR GROUPS AND SEX FOR RMOC, 1986

AGE GROUPS	TOTAL EACH AGE GROUP	MALE	FEMALE
60-64	25,920	11,820	14,100
65-69	20,720	9,000	11,720
70-74	16,165	6,515	9,650
75-79	10,530	3,790	6,740
80-84	6,385	1,900	4,485
85-89	3,400	810	2,590
90+	1,750	365	1,385
TOTAL POPULATION	84,870	34,200	50,670

SOURCE: RMOC, PLANNING DEPARTMENT, DATA HANDBOOK, FEBRUARY, 1989, TABLE 6.

TABLE III

DISTRIBUTION OF POPULATION AGED 65 AND OVER
OTTAWA-CARLETON, 1986

GEOGRAPHIC AREA	65+	TOTAL POPULATION	
URBAN AREA			
OTTAWA	42290	300780	14.1%
VANIER	2180	18420	11.8%
ROCKLIFFE	315	2020	15.6%
NEPEAN -INSIDE GB	4980	78970	6.3%
GLOUCESTER -INSIDE GB	2550	56640	4.5%
TOTAL INSIDE GREENBELT	52315	456830	11.5%
M.U.C. - KANATA	660	25975	2.5%
R.U.C - GLOUCESTER PT.	820	28810	2.8%
R.U.C. - CUMBERLAND PT.	250	18450	1.4%
STITTSVILLE	375	3905	9.6%
S.U.C. - NEPEAN	235	13205	1.8%
TOTAL URBAN CENTRES	2340	90345	2.6%
TOTAL URBAN	54655	547175	10.0%
TOTAL RURAL			
RURAL KANATA	100	1540	6.5%
RURAL CUMBERLAND	585	8565	6.8%
RURAL GLOUCESTER	290	4355	6.7%
RURAL NEPEAN	355	3310	10.7%
RIDEAU	775	10275	7.5%
RURAL GOULBOURN	515	8390	6.1%
OSGOODE	820	11200	7.3%
WEST CARLETON	870	11830	7.4%
TOTAL RURAL	4310	59465	7.2%
TOTAL OTTAWA-CARLETON	58965	606640	9.7%

TABLE IV

LIVING ARRANGEMENTS OF SENIORS WITHIN OTTAWA-CARLETON, 1986
PERSONS 65 YEARS OR OLDER

GEOGRAPHIC AREA	TOTAL PERSONS	FAMILY PERSONS	NON-FAMILY PERSONS				SHARE OF PERSONS (2)					
			TOTAL NON-FAMILY PERSONS	LIVING WITH RELATIVES	LIVING WITH NON-RELATIVES	LIVING ALONE	TOTAL PERSONS	FAMILY PERSONS	NON-FAMILY PERSONS			
									TOTAL NON-FAMILY PERSONS	LIVING WITH RELATIVES	LIVING WITH NON-RELATIVES	LIVI ALO
URBAN AREA												
TOTAL INSIDE GREENBELT	47230	26375	20855	4345	1055	15460	100.0	55.8	44.2	9.2	2.2	32
TOTAL OUTSIDE GREENBELT	2035	1310	725	415	45	255	100.0	64.4	35.6	20.4	2.2	12
TOTAL URBAN	49265	27685	21580	4760	1100	15715	100.0	56.2	43.8	9.7	2.2	3
TOTAL RURAL	3945	2690	1255	430	65	755	100.0	68.2	31.8	10.9	1.6	19
TOTAL OTTAWA-CARLETON	53210	30375	22835	5190	1165	16470	100.0	57.1	42.9	9.8	2.2	3

TABLE V

R.M.O.C. SENIORS' HOUSEHOLD HOUSING MARKET BY TENURE AND INCOME GROUP FOR URBAN, SUBURBAN AND RURAL MUNICIPALITIES, 1986

R.M.O.C.	OWNER		TENANT		TOTAL
(INCOME)	MALE	FEMALE	MALE	FEMALE	(TENURE AND SEX)
LOW	510	1,285	1,090	4,760	7,645
MODERATE	3,260	2,130	2,680	3,740	11,810
HIGH	8,105	2,975	2,310	2,455	15,845
TOTAL	11,875	6,390	6,080	10,955	35,300

URBAN	OWNER		TENANT		TOTAL
(INCOME)	MALE	FEMALE	MALE	FEMALE	(TENURE AND SEX)
LOW	335	885	950	4,360	6,530
MODERATE	2,120	1,590	2,140	3,300	9,150
HIGH	5,670	2,415	2,025	2,245	12,355
TOTAL	8,125	4,890	5,115	9,905	28,035

SUBURBAN	OWNER		TENANT		TOTAL
(INCOME)	MALE	FEMALE	MALE	FEMALE	(TENURE AND SEX)
LOW	55	235	85	305	680
MODERATE	640	280	450	375	1,745
HIGH	1,730	340	245	195	2,510
TOTAL	2,425	855	780	875	4,935

RURAL	OWNER		TENANT		TOTAL
(INCOME)	MALE	FEMALE	MALE	FEMALE	(TENURE AND SEX)
LOW	115	160	40	105	420
MODERATE	505	260	90	55	910
HIGH	705	225	15	0	945
TOTAL	1,325	645	145	160	2,275

NOTES: 1. Low income households income cutoffs: $10,223(1 person); $13,501(2 persons)
2. Moderate income households income cutoffs: $20,466(1 person); $27,002(2 persons)

SOURCE: STATISTICS CANADA, 1986 CENSUS OF CANADA, SENIOR HOUSEHOLD BY INCOME CUT OFF, SEX OF HOUSEHOLD HEAD AND TENURE BY MUNICIPALITY

TABLE VI

AFFORDABILITY COMPARISONS

PRIVATE MARKET VS. PUBLIC SECTOR

	Private Market	Public Sector (Market Rent)
Monthly Rent	$750	$350
Annual Income Required at 30% Debt	$ 30,000	$ 14,000
Annual Income Required at 25% Debt	$ 36,000	$ 16,800
Number Senior Households Who Could Afford	11,125-13,410	21,700-23,800
(% of All Senior Households)	31% - 38%	61.5% - 67.5%
Number Single Person Senior Households Who Could Afford	1,600-2,240	5,865-7,030
(% of All Single Seniors Households)	10% - 14%	35% - 43%
Number Seniors on Pension Only Who Could Afford[1]	0	0

[1]Combined GAINS, GIS, OAS Annual income of $9,517.56, 1989.

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